

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In re: : Case No.: 19-24274-GLT  
: Chapter: 11  
Kristal C. Owens :  
:   
:   
:   
Debtor(s). : Date: 6/19/2020  
Time: 1:30

**PROCEEDING MEMO**

**MATTER:** # 87 - Con't Order to Show Cause: Debtor or her counsel shall appear telephonically and show cause why the Court should not convert the case to Chapter 7 or dismiss the case with prejudice due to her failure to adhere to the Courts directive or otherwise establish that a feasible plan or reorganization is in prospect within a reasonable time.

# 120 - Status Report

# 138 - Status Report

# 154 - Hearing on Disclosure Statement

# 166 - Objection to Confirmation of Plan filed by Toyota Lease Trust

# 170 - Objection to Disclosure Statement and Confirmation of Plan filed  
by Bayview Loan Servicing, LLC

**APPEARANCES:**

Debtor: Donald Calaiaro  
Bayview: Jill Manuel-Coughlin

**NOTES: (1:30)**

Calaiaro: We've filed a stipulation that resolves Bayview's objection to the disclosure statement.

Court: Please set out the terms of that stipulation.

Calaiaro: There were inconsistencies between the plan and a previous stipulation. The stipulation we just filed makes sure the previous stipulation is adhered to and clarifies any questions. Allows the debtor a certain amount of time before Bayview will try to foreclose.

Court: Does that resolve your objection, Attny Coughlin?

Coughlin: Yes, it does as it relates to Bayview.

Calaiaro: For the property on South Ave there are four bidders, and the opening bid is \$190,000, as to the property Bayview has an interest in - the broker has made me aware there may be environmental issues with the property, but we don't know the details.

Court: Where are we with the issues brought up in March - making student loan payments and the other accounts?

Calaiaro: We wanted to file the May MOR by today, but we're waiting for her response to a couple questions. There wasn't an objection filed by the car lessor, but they did file an objection to confirmation. We've entered into a stipulation and the lease will be terminated and the vehicle will be returned.

Court: Looking at the April MOR, there are student loan payments being made to Great Lakes as late as May 1. A status report filed in April suggested these payments were terminated in February.

Calaiairo: We saw that same issue in the May report, and we've addressed that with our client. That's why the May MOR isn't filed yet.

Court: The court has been clear about what she needs to do. This isn't her first time in bankruptcy and so she should know the ropes.

Calaiairo: I will make sure we reiterate very loudly what the court's concerns are.

Court: This is also an order to show cause hearing to determine if the case should be converted or dismissed, I don't have any confidence that the debtor will abide by the terms of a plan.

Calaiairo: I have explained to the debtor the vast benefit she will receive if she completes this plan. I would request one more chance.

Court: These issues have been brought to her attention, and things cannot proceed as they have in the past.

Calaiairo: We see those issues already in the May report.

Court: You must provide further documentation about why the student loans are being paid when you file the May MOR. I do still have some concerns with the disclosure statement, but the creditor's objections have been satisfied. I will allow the disclosure statement to go out and the solicitation to occur, but that should not indicate that confirmation will be easy. She will need to satisfy the ongoing payment obligations. I expect a motion to sell the South Ave property soon.

Coughlin: With respect to Bayview, the stipulation says that my client won't require a sale of the covered property for a certain amount of time. Our POC #14 is now deemed non-disputed.

***OUTCOME:***

1. Con't Order to Show Cause: Debtor or her counsel shall appear telephonically and show cause why the Court should not convert the case to Chapter 7 or dismiss the case with prejudice [Dkt. No. 87] is CONTINUED to August 6, 2020 at 1:30 p.m. [Text Order to Issue]

2. Disclosure Statement [Dkt. No. 154] is APPROVED. [Chambers to Issue]

**DATED: 6/19/2020**